

EXHIBIT A

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Frederick M. Reich, SBN 157028 3233 Third Avenue San Diego, CA 92103 TELEPHONE NO: (619) 243-7333 FAX NO (Optional): (619) 243-7343 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name): Plaintiff, Ariel Frenner		FOR COURT USE ONLY 37-2011-00093218-CU-BC-CTL
SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Diego STREET ADDRESS: 330 W. Broadway MAILING ADDRESS: CITY AND ZIP CODE: San Diego, CA 92101 BRANCH NAME: Central		
PLAINTIFF: Ariel Frenner DEFENDANT: Enrique Martin Lutteroth Valle, Hotelera Coral, S.A. de C.V. <input checked="" type="checkbox"/> DOES 1 TO 10		
CONTRACT <input checked="" type="checkbox"/> COMPLAINT <input type="checkbox"/> AMENDED COMPLAINT (Number): <input type="checkbox"/> CROSS-COMPLAINT <input type="checkbox"/> AMENDED CROSS-COMPLAINT (Number):		
Jurisdiction (check all that apply): <input type="checkbox"/> ACTION IS A LIMITED CIVIL CASE Amount demanded <input type="checkbox"/> does not exceed \$10,000 <input type="checkbox"/> exceeds \$10,000 but does not exceed \$25,000 <input checked="" type="checkbox"/> ACTION IS AN UNLIMITED CIVIL CASE (exceeds \$25,000) <input type="checkbox"/> ACTION IS RECLASSIFIED by this amended complaint or cross-complaint <input type="checkbox"/> from limited to unlimited <input type="checkbox"/> from unlimited to limited		CASE NUMBER: 37-2011-00093218-CU-BC-CTL

1. Plaintiff* (name or names):

Ariel Feaner

alleges causes of action against defendant* (name or names):

Enrique Martin Lutteroth Valle and Hotelera Coral, S.A. de C.V.

2. This pleading, including attachments and exhibits, consists of the following number of pages:

3. a. Each plaintiff named above is a competent adult

☐ except plaintiff (name):

- (1) ☐ a corporation qualified to do business in California
 (2) ☐ an unincorporated entity (describe):
 (3) ☐ other (specify):

b. ☐ Plaintiff (name):a. ☐ has complied with the fictitious business name laws and is doing business under the fictitious name (specify):b. ☐ has complied with all licensing requirements as a licensed (specify):c. ☐ Information about additional plaintiffs who are not competent adults is shown in Attachment 3c.

4. a. Each defendant named above is a natural person

☒ except defendant (name): Hotelera Coral☐ except defendant (name):

- (1) ☐ a business organization, form unknown
 (2) ☐ a corporation
 (3) ☐ an unincorporated entity (describe):
 (4) ☐ a public entity (describe):

- (1) ☐ a business organization, form unknown
 (2) ☐ a corporation
 (3) ☐ an unincorporated entity (describe):

(4) ☐ a public entity (describe):(5) ☒ other (specify): Foreign Corporation(5) ☐ other (specify):

* If this form is used as a cross-complaint, plaintiff means cross-complainant and defendant means cross-defendant.

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SHORT TITLE: Freaner v. Lutteroth et al.	CASE NUMBER:
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4. (Continued)

b. The true names of defendants sued as Does are unknown to plaintiff.

(1) ☐ Doe defendants (specify Doe numbers): _____ were the agents or employees of the named defendants and acted within the scope of that agency or employment.(2) ☐ Doe defendants (specify Doe numbers): _____ are persons whose capacities are unknown to plaintiff.c. ☐ Information about additional defendants who are not natural persons is contained in Attachment 4c.d. ☐ Defendants who are joined under Code of Civil Procedure section 382 are (names):5. ☐ Plaintiff is required to comply with a claims statute, anda. ☐ has complied with applicable claims statutes, orb. ☐ is excused from complying because (specify):6. ☐ This action is subject to ☐ Civil Code section 1812.10 ☐ Civil Code section 2984.4.

7. This court is the proper court because

a. ☒ a defendant entered into the contract here.b. ☒ a defendant lived here when the contract was entered into.c. ☒ a defendant lives here now.d. ☒ the contract was to be performed here.e. ☐ a defendant is a corporation or unincorporated association and its principal place of business is here.f. ☐ real property that is the subject of this action is located here.g. ☒ other (specify):

The parties agreed to jurisdiction and venue in San Diego, California

8. The following causes of action are attached and the statements above apply to each (each complaint must have one or more causes of action attached):

☒ Breach of Contract☐ Common Counts☐ Other (specify):9. ☐ Other allegations:

10. Plaintiff prays for judgment for costs of suit; for such relief as is fair, just, and equitable; and for

a. ☒ damages of: \$ in excess of \$170,000.00b. ☒ interest on the damages(1) ☒ according to proof(2) ☐ at the rate of (specify): _____ percent per year from (date):c. ☒ attorney's fees(1) ☐ of: \$(2) ☒ according to proof.d. ☐ other (specify):11. ☐ The paragraphs of this pleading alleged on information and belief are as follows (specify paragraph numbers):

Date: 6-17-11

Frederick M. Reich

(TYPE OR PRINT NAME)



(SIGNATURE OF PLAINTIFF OR ATTORNEY)

(If you wish to verify this pleading, affix a verification.)

SHORT TITLE:

Freaner v. Lutteroth

CASE NUMBER:

FIRST

(number)

CAUSE OF ACTION—Breach of Contract

ATTACHMENT TO ☒ Complaint ☐ Cross - Complaint

(Use a separate cause of action form for each cause of action.)

BC-1. Plaintiff (name): Ariel Freaner

alleges that on or about (date): June 23, 2008

a ☒ written ☐ oral ☐ other (specify):

agreement was made between (name parties to agreement):

Plaintiff and Defendants Enrique Martin Lutteroth Valle and Hotelera Coral S.A. de C.V.

☒ A copy of the agreement is attached as Exhibit A, or☐ The essential terms of the agreement ☐ are stated in Attachment BC-1 ☐ are as follows (specify):

BC-2. On or about (dates): July 2008 through October 2010

defendant breached the agreement by ☐ the acts specified in Attachment BC-2 ☒ the following acts (specify):

Defendants requested and Plaintiff performed additional extra services not specified in the written Service Agreement. Pursuant to the Agreement, Defendants agreed to pay Plaintiff an hourly rate for additional extra services. Defendant has failed to pay Plaintiff for these additional services.

BC-3. Plaintiff has performed all obligations to defendant except those obligations plaintiff was prevented or excused from performing.

BC-4. Plaintiff suffered damages legally (proximately) caused by defendant's breach of the agreement ☐ as stated in Attachment BC-4 ☒ as follows (specify):

In excess of \$170,000.00

BC-5. ☒ Plaintiff is entitled to attorney fees by an agreement or a statute☐ of \$☒ according to proof.BC-6. ☒ Other:

Plaintiff is entitled to recover his costs pursuant to the agreement of the parties.

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EXHIBIT A

FREANER & ASSOCIATES

SERVICE AGREEMENT

This Services Agreement ("Agreement") is entered into this 23 day of June, 2008 by and between Hotelera Coral, S. A. de C. V. and Enrique Martin Lutteroth Valle (hereinafter "Clients"), on the one hand, and Ariel Freaner, DBA Freaner & Associates ("F&A"), on the other.

1. Date Services to Commence

F&A shall commence the "Services," as outlined in Exhibit A which is attached and incorporated by reference, immediately upon execution of this Agreement by the Clients.

2. Services to be Performed by F&A

F&A will provide to Clients the Services set forth in Exhibit "A" hereto. These Services will be performed in San Diego, California at the F&A offices and will be delivered to Clients at their designated place of business in San Diego County, California.

3. Deliverables and Delivery

Clients and F&A shall establish a schedule of due dates. F&A will use its best efforts to deliver a finished work product of the highest standard to the Clients in a timely manner.

a. **Deadlines and Due Dates.** At proposal signature, F&A will establish appropriate dates for conception, presentation proofs, final approvals, production and delivery of the Services outlined in Exhibit A. These dates will be based both on the Clients' anticipated deadlines, which should be articulated to F&A within fifteen (15) days of execution of this Agreement, and F&A's estimated production time. If deadlines established by F&A are not acceptable to the Clients, the Parties will use their best efforts to create a mutually acceptable deadline.

b. **Changes By Clients.** F&A is aware that Clients may change their minds with respect to various design ideas and proposals. Any changes requested by Clients and accepted by F&A will delay the delivery dates of products by a time period equivalent to the delay occasioned by the Clients. Changes in delivery dates caused by changes and/or alterations made by Clients will not affect the payment schedule.

c. **Delays Not Caused by F&A.** Clients are aware that delivery of design, creative development, production and all other F&A related services could and will be affected by Clients' delayed communications, requests for extensive meetings, delays in transportation, delays in providing Client Materials (information, text, photos, etc. that Clients are required to provide as outlined in Exhibit A), missed appointments, and/or any issues that are not within the control of F&A. Clients acknowledge and agree that F&A is released in full from any liability or breach of contract, inside and outside the scope of this Agreement caused by the aforementioned delays, to the extent they are created or caused by anyone other than F&A. Any delays caused by conduct of Clients shall not affect the F&A payment schedule. Should F&A or its suppliers or representatives miss appointments or be delayed for meetings, said delays will not affect the delivery deadlines or due dates.

Client initials:  F&A initials: _____

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4. Payment Schedule and Fees:

The total agreed upon fees for the Services outlined in Exhibit A shall be \$76,592.00. This amount shall be paid according to the following schedule:

- a. Clients will remit \$24,500.00 in advance on June 23, 2008 and;
- b. One (1) payment of \$19,000.00 on August 1st, 2008, and
- c. Three (3), equal monthly payments of \$8,500.00 on the 1st day of each month commencing September 2008, and on October 1st 2008, and November 1st 2008, and
- d. Final payment of \$7,592.00, on or before the 1st day of December 2008.

Clients are aware that all payments must be in the form of cashiers check, money order, or a check drawn on a U.S. Bank in U.S. Dollars. Please make checks payable to "Ariel Freamer." All fees pertaining to this Agreement are a fixed fee established by F&A and the Clients based on the project contracted for and are non-refundable.

5. Additional Charges

- a. Clients acknowledge that the fee schedule set forth in this Agreement only covers the Services outlined in Exhibit A to this Agreement. Unless specifically provided otherwise, this Agreement does not include or cover:
 - i. The costs of printing, media buying, media services and/or any other external production and/or services. Prior to incurring these costs, F&A will provide Clients with a cost estimate for Clients' written approval.
 - ii. Fees and costs for any changes or alterations exceeding those permitted under this Agreement. Any proposed services which will incur extra cost will be presented directly to the Client executive assigned to this project for authorization and approval.
- b. Clients will not reimburse F&A for meals, trade show entrances, and cover all travel expenses incurred as a result of performing the Services identified in Exhibit A unless previously approved by the Clients in writing.
- c. Any projects or tasks outside the scope of this Agreement will be billed as follows:
 - i. \$250 (two hundred fifty U.S. dollars) per hour for design and creative services
 - ii. \$150 (one hundred fifty U.S. dollars) per hour for production services
- d. Clients will not be obligated to pay for any project outside the scope of this Agreement unless previously approved in writing.
- e. Clients acknowledge that F&A may be compensated at a commission of 15% or more, depending on the amount of time and work involved, for any subcontracted project, including, but not limited to, media placement, printing, photography, or programming. If a commission is paid, it is paid directly by the subcontractor to F&A. Clients acknowledge and agree that F&A need not disclose any commissions paid by any subcontractors to Clients, and Clients acknowledge that any commissions received by F&A from subcontractors in connection with the Services outlined in this Agreement do not affect the payment schedule or payment due from Clients as outlined in this Agreement.

Client initials: _____ F&A initials: _____

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6. Ownership of Work Product Materials

- a. Client acknowledges that all materials generated by F&A in connection with this Agreement, including, but not limited to, designs and files, digital or otherwise (collectively, "Design Materials"), are the property of F&A, until full payment is made in accordance with the provisions of the payment schedule. Once Clients have paid all outstanding invoices in full, Clients will own the completed, approved products, designs and files on digital format developed and delivered in accord with those invoices. All other equipment, artwork and materials developed or purchased by F&A for the project will remain property of F&A. F&A shall have no obligation to provide any materials to Clients unless and until all outstanding invoices under the terms of this Agreement have been paid in full.
- b. During the course of the Agreement, F&A may use some stock photographs, stock video and stock music tracks held in its personal data base that may not be used in the final product. All stock photographs, stock video, stock music tracks, illustrations, copies submitted to Clients shall be solely for use in connection with the project for which F&A is retained under this Agreement. Any use of the stock photographs, stock video, stock music tracks, illustrations by the Clients without prior written consent of F&A is prohibited.
- c. All Clients' products, disks, software, etc. ("Clients' Materials") provided to F&A by the Clients during the term of this Agreement shall remain the property of Clients, and may not be used by F&A without the prior written consent of Clients. F&A will return to Clients all Clients' Materials within ninety (90) days of termination of the Agreement.
- d. F&A retains the right to use any Design Materials in any and all of F&A's marketing publications, portfolios, promotional items, marketing strategies, advertising and/or marketing venues.
- e. All designs and creations produced by F&A and not used or not selected by the Clients are the property of F&A. The use of such designs and creations are at F&A's sole discretion.

7. Trademark Materials

Clients are responsible for obtaining permission or licenses for use of copyrighted or trademarked materials provided by Clients. Clients represent that they have the right to use all material including, but not limited to logos, designs, files, articles, photographs and text provided to F&A, and that such use does not violate any trademark rights of third parties. Clients agree to indemnify, defend, and hold harmless F&A, and its employees, agents and representatives, against all liability, claims, costs, damages and expenses (including reasonable attorney fees) incurred by F&A arising from or related to the use of materials provided by Clients in F&A's work product prepared under this Agreement. To the extent F&A provides materials for purposes of performing the Services outlined in Exhibit A, F&A is responsible for obtaining permission or licenses for use of any copyrighted or trademarked materials, to the extent necessary, for that material.

8. Default Provisions

- a. Default by F&A. In the unlikely event F&A fails to provide the Services included in this Agreement in a timely manner without justification or good cause, Clients will have the right to request that F&A cure the default within forty-five (45) business days* (the "Cure Period"). If default continues after the Cure Period has elapsed, and at Clients' sole discretion, the Clients shall have the right to terminate the Agreement immediately. In the event of termination pursuant to this provision by Clients, ownership of all Design materials provided at that time shall vest with the Client.

Client initials: EW F&A initials: _____

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b. Default by Clients. In the event that Clients fail to make a payment set forth in the payment schedule when due under this Agreement, F&A shall provide Clients with a written notice of default. If payment is not received within ten (10) business days* after service of the notice of default, F&A will have the right to immediately stop all services. If payment is not received after thirty (30) days*, F&A, at its discretion, can demand that the entire Agreement balance become immediately due and payable. F&A thereafter will not be obligated and/or liable for any pending or outstanding Services. Interest shall accrue on any unpaid fees at the rate of 10% per annum.

c. General Liability, Errors and Omissions Insurance. F&A's Services provided through this Agreement are covered by a General Liability and Errors and Omissions Insurance policy to the extent permitted by law.

*[Days shall be counted by excluding the first day and including the last day, unless the last day is a Saturday, a Sunday, or a legal holiday, and then it shall be excluded. Any act required by this agreement to be performed by a certain day shall be timely performed if completed before 5:00 p.m. local time on that date. If the day for performance of any obligation under this Agreement is a Saturday, a Sunday, or a legal holiday, then the time for performance of that obligation shall be extended to 5:00 p.m. local time on the first following day that is not a Saturday, Sunday, or legal holiday.]

9. Termination of Agreement.

This Agreement may be terminated prior to the completion of the Services upon the occurrence of the following events:

- a. The default by any party under any terms of this Agreement. The nondefaulting party shall have the right to terminate this Agreement and seek all other remedies provided for under this Agreement.
- b. A payment submitted by Clients is returned for nonsufficient funds. If F&A is paid by way of a check that is returned for insufficient funds, F&A shall immediately notify the Clients that they have five (5) business days to issue a new check backed by sufficient funds. If no such check is issued or if that check is returned for insufficient funds, F&A shall have the right to terminate this Agreement and collect all monies due under the terms of this Agreement plus statutory damages for a returned check.
- c. F&A shall have the right to terminate this Agreement if, after being provided written notice by F&A of the need for information, Clients fail to provide information required as outlined in Exhibit A within twelve months of the execution of this Agreement or if Clients' delay in performing their obligations as outlined in this Agreement hinders F&A's ability to complete the Services within twelve months of execution of this Agreement. Upon termination under this circumstance, F&A shall be entitled to collect all monies due under the terms of this Agreement.

10. Hours of Operation

F&A's Office hours are from 9:00 AM to 5:00 PM from Monday to Friday. F&A observes most US holidays. F&A does not schedule meetings on Thursdays after 12:00 p.m. To the extent that a meeting is scheduled on a Thursday morning, Clients acknowledge that such meetings will conclude no later than 12:00 p.m. Should an emergency arise on a Thursday afternoon, an F&A representative may be available by telephone during that time.

11. Service Scheduling

- a. Work orders received from 9:00 AM to 2:00 PM will be scheduled the next working day.
- b. Work orders received from 2:00 PM to 5:00 PM will be scheduled in two working days.

Client initials: SW F&A initials: _____

c. Work orders received c Friday from 9:00 AM to 5:00 PM will be sch led for the following Tuesday.

d. Single creative work take an average from five (5) to fifteen (15) working days or more.

e. Complex creative projects (campaigns, corporate images, booklets, extensive documents, etc.) take an average from fifteen (15) to forty-five (45) working days, and in some cases, longer.

f. Production work could take from one working day or more, depending on the type of production requested.

** All delivery dates will be set after reviewing the Clients' written request and after assessing what information is required to satisfy the Clients' request.*

12. Clients' Responsibilities

a. Clients acknowledge that timely delivery by F&A of the Services outlined in Exhibit A is, in part, contingent upon the Clients timely delivery of the Client Materials described in Exhibit A. Consequently, Clients agree that they are responsible for the timely delivery of information as outlined in Exhibit A to F&A, including, but not limited to: a list of the Clients' specific needs, text, photographs, logos, illustrations, video and sound clips, captions, headlines, tech specifications, POC (Point of contacts), suppliers references, and other items related to each project. Client Materials should be submitted to F&A using the designated Work Order Form which may be obtained online at the dedicated web site address provided in Paragraph 14 of this Agreement. F&A will have no obligation to provide any Services until receipt of a Work Order Form has been placed and signed by the Clients and accepted in writing by F&A.

b. Clients will provide F&A with documents in the appropriate format (Photoshop, MP3, Quicktime, .DOC, .JPG, etc.) as specified by F&A. Documents and other information shall not, however, be presented in Corel Draw or any other unapproved format, without the prior written consent of F&A. Any file delivered in Corel Draw or any other unapproved format will be rejected, or processed at F&A's sole discretion. Any delays caused by Corel Draw or other unapproved file formats will not be the responsibility of F&A. Approved applications include: Adobe Photoshop, Adobe Illustrator, Adobe In Design, Adobe Creative Suite CS and above, Quark Express, Microsoft Word, Microsoft office, Final Cut Pro studio, Apple I-Life 06 and above.

All the information, text, images, music, sound and video, products and other items must be provided by the Clients as outlined in Exhibit A. Text must be provided using Microsoft Word or Word Perfect* in a digital format as text characters, not as placed image, an image, scan file, or graphic. F&A reserves the right to use and/or work with CorelDraw! files.

* Word Perfect files must be exported as Microsoft word files. Other media maybe accepted or handle at F&A's sole discretion. Any file delivered in Word Perfect or any other unapproved format will be rejected, or processed at F&A's sole discretion.

c. Media campaigns, marketing, and media placement schedules will be the Clients' responsibility. Costs will be estimated by the Clients with the assistance of F&A unless otherwise specified in Exhibit A.

d. Clients shall sign each receipt upon delivery of documents, designs or any other items as contemplated by this agreement. If Clients fail to acknowledge receipt of any work product within five (5) days of the delivery date, F&A shall be authorized to deliver the work product to Clients by posting it on the web site created by F&A pursuant to this Agreement. F&A shall also be authorized to deliver the work product to Clients via first class certified mail.

Client initials: EW F&A initials: _____

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Clients' failure to accept . . . certified mail from F&A shall not constitute failure to deliver.

- e. Clients shall not contract suppliers directly; all changes regarding supplies must be made through F&A.
- f. Clients shall be responsible for maintaining their own domain name and paying any procurement and regular fees associated therewith, unless otherwise specified in Exhibit A.
- g. Clients are responsible for obtaining any required permits, licenses, import equipment and appropriate insurance for or in connection with any Services that must be performed in Mexico. Clients agree to indemnify F&A for any F&A equipment that is lost, stolen, or damaged in connection with Services performed in Mexico.

13. F&A Disclaimers.

- a. F&A, upon Clients' written request and authorization, will work as an agent for the Clients to purchase third party products or services. F&A will use its best efforts to research the suppliers at the time of the request, however, F&A shall not be responsible for the quality or reliability of third party suppliers.
- b. During the course of the Agreement, F&A will purchase a domain name and a mirror site of the domain name provided by Clients. Clients will be afforded the opportunity to purchase this domain name mirror site at cost from F&A within ninety (90) days after termination of this Agreement. If Clients do not exercise their right to purchase the domain name and mirror site, F&A shall have the right to use the domain name and mirror site as a marketing tool to display F&A's graphic design work. F&A will not use the mirror sites and domain names to compete with Clients.
- c. All domain name and mirror sites not purchased by the Clients are the property of F&A. The use of such domain name and mirror sites is at F&A's sole discretion. F&A will not use the mirror sites and domain names to compete with Clients.
- d. Clients are aware that a domain name mirror site will usually have but not limited to the same name as the Client web site, the same Client domain name, the same Client domain name with a different extension, the Clients' name, the same type of business as the Clients, and/or in relation with the Client business name or type of industry. F&A will not use the mirror sites and domain names to compete with Clients.
- e. F&A retains the right to use all domain names and mirror sites in any and all of F&A's marketing publications, portfolios, promotional items, marketing strategies, advertising and/or marketing venues. The use of such domain name and mirror sites is at F&A's sole discretion. F&A will not use the mirror sites and domain names to compete with Clients.
- f. F&A does not promise or guarantee any increase in sales, revenues, income or profit as a result of contacting F&A for Clients' advertising, design, marketing, public relations, and other promotional efforts or services.
- g. All fees for services rendered will be due to F&A and are non-refundable if this Agreement is terminated by Clients for a reason other than F&A's default, as defined by this Agreement, or is terminated as a result of Clients' default as defined by this Agreement. F&A shall have the right to collect all monies due under the terms of this Agreement plus statutory damages.

14. Communication

All communication is preferably handled by e-mail, however, telephone conferences and meetings are required for full

Client initials: EW F&A initials: _____

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understanding and for development. To insure quality services and avoid potential miscommunications please take notice that your signature acknowledges your consent to recording telephonic communications. All communications may be recorded. Any legal and/or contractual notification must be in writing and sent by regular mail to the addresses indicated at Paragraph 18i.

F&A is in full aknowledge Nite Owl Design / Oscar Lutteroth

Within five business days of execution of this Agreement, Clients shall designate, in writing, the individual who shall serve as the authorized Client representative for purposes of this Agreement and the Services defined herein. Clients will notify F&A in writing of any change in their agents or representatives. All communications to Clients should be made to:

The Clients:

Enrique Martin Lutteroth Valle
Consejo Directivo
E-mail: enriquelv@grupoluva.com

374 East H St. Suite A
Chula Vista, CA. 91910
1 (800) 862-9020 USA
1 (877) 233-5839 USA

Hotelera Coral, S. A. de C. V.
Carretera Tijuana - Ensenada Km 103 #3421
Zona Playitas
Ensenada, B. C.
CP 22860
01152 (646) 175-0000 Ensenada Mexico

F&A: All communications to F&A should be made to:

Ariel Freaner
President

255 G Street No. 299
San Diego CA 92101
(619) 255-6411
E-mail: arielfreaner@freaner.com

E-mail communications to F&A must be sent to: arielfreaner@freaner.com,

Upon request of the Clients, a dedicated web site is provided for Clients' convenience. The web site is provided as a courtesy and is not a requirement of this Agreement. Although F&A is not required to keep the website updated, F&A will try to update the site every thirty (30) working days if requested by Clients in writing and per specific project and/or upon a design selection. The web site address is:

<http://www.freaner.com/HotelCoralMarina.html>

Client initials: EN F&A initials: _____

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15. Confidentiality/Noncompete use

- a. Clients understand and agree that they will not make any effort to circumvent F&A by seeking to solicit, contact or contract with, any F&A supplier, agent, or employee who Clients understand and acknowledge are utilized by F&A to complete, manage and execute this Agreement and others, and that such circumvention would adversely impact F&A's business. Nothing in this Agreement shall preclude Clients from soliciting, contacting or contracting with suppliers that Clients identify and request, in writing, be used by F&A in performing the Services outlined in Exhibit A.
- b. Clients acknowledge that because damages from such circumvention are difficult to ascertain and fix as a sum certain at this time, Clients agree to pay liquidated damages in the amount of (50%) fifty percent of the entire Agreement, in the event it breaches this contractual provision.
- c. Clients further agree that they will not contract directly with any of F&A's suppliers or agents for a period of two (2) years after completion of the term of this Agreement.

16. Non Assignability

The creative service obligations under this Agreement may not be transferred or Assigned by Clients without written consent of F&A. Furthermore, the creative service obligations under this Agreement may not be transferred or assigned by F&A without the written consent of Clients.

17. Language

The Clients certify that they are fluent in the English language, and understand this Agreement in full. _____ [Clients Initials] El cliente certifica que es fluido en el idioma ingles y entiende este contrato completamente. _____ [Client initials / Iniciales del cliente].

As an accommodation to Clients, and upon Clients' written request, F&A will provide Spanish translation of its correspondence to Clients. Clients may also correspond with F&A in Spanish. In the unlikely event that a dispute arises, the English version of all correspondence shall govern. Where there is no English version, however, Clients shall be responsible for any costs of translation that may be necessary in the event that a dispute arises.

18. MISCELLANEOUS

- a. Counterparts. This Agreement may be executed in several counterparts each of which is deemed to be an original. This Agreement and any counterparts so executed shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.
- b. Contents of Agreement. This Agreement sets forth the entire understanding of the Parties. Any previous agreements or understandings between the Parties regarding the subject matter hereof are merged into and superseded by this Agreement. All representation, warranties, covenants, terms, conditions, and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of F&A and Clients. This Agreement may not be modified or amended except in a writing signed by all Parties.
- c. Severability. In the event that any one or more of the provisions contained herein shall, for any reason, be

Client initials: _____ F&A initials: _____

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held to be invalid, illegal, unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein, unless the deletion of such provision or provisions would result in such a material change so as to cause completion of the transactions contemplated herein to be unreasonable.

d. **Arbitration.** Any controversy or claim arising out of or related to this Agreement, or breach thereof, shall be submitted to and resolved by binding arbitration. The arbitration will be conducted in San Diego, California by a single neutral arbitrator and in accordance with the then current rules of the American Arbitration Association. The arbitrator shall have the power to enter any award that could be entered by a judge of the trial court of the State of California, and only such power, and shall follow the law. The parties agree to abide by and perform any award rendered by the arbitrator. The arbitrator shall issue the award in writing and therein shall state the essential findings and conclusions on which the award is based. Judgment on the award may be entered in any court having jurisdiction thereof.

e. **California Law to Govern.** This Agreement is being delivered and is intended to be performed in the State of California and is to be construed and enforced in accordance with the laws of California. Each party consents to the jurisdiction and venue of the state or federal courts in San Diego, California in any action, suit, or proceeding arising out of or relating to this Agreement. In the event that F&A is required to serve Clients outside the United States or pursue collection against Clients outside the United States, Clients shall be responsible for all attorneys fees and costs incurred by F&A in effectuating service.

f. **Attorneys Fees.** In any action brought to enforce any provision of this Agreement, the losing party shall pay the prevailing party's reasonable attorney fees and costs. Moreover, in the event that F&A is required to serve Clients outside the United States, Clients shall be jointly and severally liable for the attorneys' fees and costs incurred in effectuating that service.

g. **Section Headings and Gender.** The section headings herein have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

h. **Exhibits.** All exhibits referred to in this Agreement are intended to be specifically made part of this Agreement.

i. **Notices.** All notices which are required or permitted; under this Agreement shall be sufficient if given in writing and delivered personally or by first class mail, postage prepaid as follows:

If to F&A:

Ariel Freaner
255 G Street #299
San Diego, CA 92101

If to CLIENTS:

374 East H St. Suite A,
Chula Vista, CA. 91910
1 (800) 862-9020 USA
1 (877) 233-5839 USA

Client initials: EW F&A initials: _____

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** Note: In the event that Clients do not have a United States Address, Clients shall designate an agent for service of process within San Diego County, California.

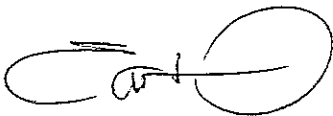
j. Independent Contractor Relationship. The parties represent and acknowledge that they do not, by virtue of this Agreement, intend to create an employment relationship. F&A represents and warrants that it is an independent contractor. F&A further represents and warrants that each individual it assigns to provide Services to the Clients under this Agreement shall be, and shall remain, an employee or subcontractor of F&A for the entire period such individual is providing Services to the Clients pursuant to this Agreement. F&A shall select its own employees, subcontractors, agents and servants, and such employees, subcontractors, agents and servants shall be and shall act under the exclusive supervision and control of F&A, subject to the requirements of this Agreement. Similarly, the employees or subcontractors of the Clients with whom F&A deals in connection with this Agreement shall not become the employees or subcontractors of F&A.

k. Nite Owl Design and Oscar Lutteroth Relationship. F&A acknowledges and understands that the Clients also will be working with Nite Owl Design and Oscar Lutteroth. F&A agrees to cooperate with Nite Owl Design and Oscar Lutteroth to the extent that Nite Owl Design and Oscar Lutteroth will be providing materials necessary to complete the Services described in Exhibit A. F&A agrees to provide Nite Owl Design and Oscar Lutteroth with information about the status of the Services described in this Agreement.

ARTICLE 12 EXECUTION

By signing of this Agreement, the Parties agree that they have read and understand this Agreement and its conditions and effect.

CLIENTS: Hotelera Coral, S. A. de C. V. and Enrique Martin Lutteroth Valle



Enrique Martin Lutteroth Valle

June

Dated: Month

23

, Day

2008

, Year

F&A: Ariel Freaner DBA Freaner & Associates

By: Ariel Freaner

Dated: Month

, Day

, Year

Client initials:  F&A initials: _____

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EXHIBIT A

1. SERVICES AND DELIVERABLES:

1.1 Design for and development of a static web site for Hotel Coral and Marina.

1. Design development (Corporate image to be provided by the Client).
2. Imagery development (Corporate image to be provided by the Client).
3. Static, and dynamic programming development
4. Flash animation for image purposes
5. CGI Script html forms
6. SEM strategy
7. SEO Programming and development
8. Statistics development: Using Google Analytics and private stat server service.
9. Download time optimization
10. Accessibility development
11. Multiple browser compatibility programming
12. Browser registrations: MSN, Google, Yahoo, Windows Live, Ask.com, Lycos, My Excite. Registration and browser visibility takes an average of fifteen (15) to thirty (30) business days, however in rare occasions, some domain names may take up to one hundred and eighty (180) business days or longer depending on the name structure (Domain names too generic, too close to existing brands, etc).
13. Third party products:
 - a. Blog: Using Google Blogger
 - b. Quantified service: Using Quantcast
 - c. POC Using one of the free third party online contact management services: LinkedIn, Merchant circle, Facebook, Mixx, etc.
 - d. Others

Client initials: EW F&A initials: _____

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Design development and planning. Conceptualization, planning, modeling, and execution of electronic media delivery via Internet in the form of markup language suitable for interpretation by web browser and display as graphical user interface. Graphic design, layout creation and image development for a static site in html. F&A will create the conceptualization and planning stage, flowcharts (the outline) to illustrate the navigational structure of your web site. In the modeling stage, static wire frames will be created (the rough draft) to illustrate the skeletal layout for each section of your web site.

F&A will create a flowchart when conceptualizing chromatic Sites. We list the name of the Clients' web site, then we include each primary section of our web site: Home, About, Services, contact us, etc. These sections are the main navigation for your web site. The remaining names of each section is entirely dependent on the Clients' content of the web site, which will be provided by the Clients and the Clients' needs. F&A recommends to use as few sections as possible so visitors are not overwhelmed when navigating through the web site.

F&A will add all of the secondary pages (subsections) that will be listed on each of the primary pages. For all main menu items and index pages we have included Professional Web Design, Web Development, and SEO (Search Engine Optimization). The secondary navigation needs to be more descriptive than the primary navigation. The deeper your web sites' navigational hierarchy goes, the more descriptive each label should be. F&A will keep the number of primary sections to a minimum. Six (6) to eight (8) sections on the web site is more than enough. Web site flowchart will be kept as clean and organized as possible. Web site navigation needs to make sense. Your primary sections should use broader terms, while secondary and tertiary terms should be more descriptive.

Imagery development. Graphic design, icon development and general imagery for navigation will be included. Design will be presented in static designs for appreciation and changes. After approval of such imagery F&A will proceed to the full imagery integration. Flash animation and flash development for image purposes only is also included and it will be use accordingly in the need to need basis. Flash programming and/or Flash server technology are not included with this proposal.

In the imagery stage, static "wire frame" mock-ups are created. Each mock-up illustrates a bare-bones skeleton of the layout for each of the web pages that will be included in your web site. This stage is important because it gives us an idea of where different elements will be placed in our design. Some of these elements are: logo, navigational menu, content, images, videos, etc.

F&A will present wire frame mock-ups in a web flow organizational software to make sure the Clients are mocking up all of the pages that will appear on the web site. There are no colors or graphics included in wire frame mock-ups. This is a skeletal layout of your design. The purpose is to be able to have a general idea of where each of the web page's elements will be placed. Mock up and navigational design will begin from the top left and work our way down to the bottom including the most important elements of a web site (logo, navigational menu, content placement, images/video placement).

F&A will mock-up all unique pages, include important elements (logo, navigation, content placement, images/video placement), reference your flowchart created. After the wire frames are created, graphics, colors and text are used to create the design of your web pages based on the layout of the wire frames selected by the client.

Client initials: EW F&A initials: _____

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In the execution stage, your design is converted into a format supported by web browsers, text and content are added. All stages of the design process are equally important. F&A advise the Clients not to skip a stage in order to save time or because the Clients do not think that is necessary. Skipping any of the stages will lead to poor-quality, non user-friendly web site. F&A will not be responsible or liable in the event the Clients skip any stage.

Programming, development and execution

F&A will execute and combined all of the services above to create a static and dynamic web site where applies. This stage is by far the most time intensive since we will be converting graphics and content, and all web designs from images into code that web browsers use to present the Clients' web site to the world. Flowchart and visitor navigation will be programmed to construct a clear, concise plan.

F&A will begin by creating the "home" page (index) with all the SEM and SOM proper coding. F&A will use CSS (cascading style sheets), for all navigation. Most graphics will be turned into code for search engines crawlable ease. Keywords and other metatags will be used in all navigation coding for proper indexing in the search engine results pages. All layouts will be converted to CSS in accordance with W3 accessibility.

F&A will reference the Clients' flowchart when coding the web site pages with hyper links; it is better to use a coded menu that includes all (or the majority) of the links in your web site on every page to allow easier navigation and make the web pages easier to crawl when the search engine spiders stop by.

Content will also include CGI Script html forms. Usability in architectural systems and SEM optimization will match search engine friendly accessibility guidelines.

Dynamic web site programming, database programming and database driven web site development are not included.

1.2 Design and creative services:

Marketing materials*:

Graphic design, creative development, creative concepts and production for the following:

- Travel point cards*
- General advertising materials*
- Publications*
- Magazine ads*
- Newspaper ads*
- Banners*
- Billboards*
- Flyers, signs*
- Standard threefold brochures*
- Newsletter (Traditional)*
- Web banners*
- E-Newsletters / E-mail blasts*

Client initials: EW F&A initials: _____

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Direct mail card

Quarterly or twice a year magazine*

* Hotel Coral and Marina corporate image is not included with this proposal, such but not limited to: as logo, logo modifications, corporate image in it is entirety, menus, room items, signage systems, stationary, automobiles, transportation fleet, uniforms, all inhouse hotel production, among many others. Hotel Coral and Marina corporate image will be provided by the Clients.

Disk art ready will be included in one of the following applications: Adobe InDesign, Adobe Illustrator or Adobe Photoshop. Art ready may be also delivered in the following formats: .EPS, .PDF, .TIFF, and/or .JPG. Some suppliers may request unusual art ready with custom and/or special specifications. F&A may provide such art ready upon reception of a detailed technical specification information sheet provided by the supplier and a written request from the client. The time and the delivery of such art ready files will be upon F&A sole discretion.

We will present different layouts for appreciation, comments and selection. Then final layouts will be delivered for final approval. Press art ready will be delivered on a digital format. Two sets of color proofs may also be included from our in-house printer for client records and for printing referral purposes only. All color proofs must be requested by the client or supplier in writing before printing. Prints will be delivered in paper no larger than 11 x 17" in regular laser print paper. Larger prints and different kind of papers are available upon written request and will be at an extra cost to the client.

Microsoft Power point, Excel, Word and other Microsoft product files and templates.

F&A will provide limited design and creative development services in all Microsoft products or any application alike. Design, production, and creative development will be limited to the application design limitations and industry standards. Final files will be optimized for digital display, inkjet or laser printing only, however, F&A can not guarantee the consistency of color, color matching and printability of such files. F&A does not recommend the use of Microsoft product files for commercial printing. F&A does not provide support for Microsoft product files or templates for commercial, inhouse or domestic printing, output or crossover platform compatibility. F&A does not support EXCEL. The time and the delivery of any Microsoft files and jobs will be upon F&A sole discretion.

1.3 Stock photography:

F&A stock photography bank.

F&A stock photography bank is included with this proposal to be use on the materials intended only and in accordance to the F&A stock photography usability terms on paragraph 6b.

1.6 Three day photo sessions:

F&A Will provide semiprofessional photography services for three days. Photography will be shot with F&A inhouse equipment including a Nikon D2X 12mpx camera, Nikon D200 10mpx camera and standard basic lighting equipment. Our basic which lighting equipment includes: Three standard lamps, lamp stands, two reflection umbrellas, umbrella stands and two reflectors. Extra photography equipment is not included in this contract, however it is available to the client at an extra cost. F&A does not sells or lease photography

Client initials: EW F&A initials: _____

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equipment. A photograph day is an eight hour day with one hour for lunch. Photo session schedule will be made with the client.

Photography, three day session: will be at the Clients' Location and to be shot as follows: exteriors at golden light times, and when Exterior is lighted. Interiors as is and/or with limited basic lighting equipment. Virtual tours will be also included, as follows: One (1) virtual per Clients' location. Locations will be selected in writing with the client. * Photo days are 8 hours, divided in daily lighting settings.

1.7 Copywriting services

F&A will provide copywriting services in English for the projects developed by F&A including: Clients' research and interviews, Content development, English copywriting development for the following applications:

- a. Web content
- b. Newsletters
- c. Welcome kit content
- d. Sales notifications
- e. Others

Technical and expert copywriting development is not covered by this contract. Translation from English to Spanish, or Spanish to English is not included. Hotel and hospitality industry terms, glossary and content must be provided by the client.

1.8 Advertising creative and Public relations development services

F&A will develop advertising creative concepts and strategies for the client. Advertising creative concepts and strategies will be for projects in accordance of the clients budget, clients promotions and clients time frame. Creative development for advertising campaign includes the following: Target advertising strategy. Traditional advertising development, and New media strategy development.

Limited media planning.

F&A will develop media strategy and media placement campaign for the Clients and in accordance of the clients budget, clients promotions and clients time frame. We will include the following: Media selection, Media campaigns approach, media placement strategy, Media execution strategy, Clipping service management and Press follow up. Clipping service is not included. Media management, placement and administration to be performed by the client with the assistance of F&A.

F&A is not responsible for any false claims made by the client in any of the advertising pieces developed by F&A. Clients are responsible for all media buying and media placement. Clients must disclose information, promotions, goals, capabilities, time frame and advertising budget in order to plan and create the best advertising strategies for the client accordingly. Clients will not cover meals, trade show entrances, covers and all travel expenses unless previously approved in writing.

Public relations campaign and promotions:

F&A will develop a twelve (12) month public relations campaign and strategy for the Clients and in accordance

Client initials: EW F&A initials: _____

of the clients budget, client promotions and clients time frame. The campaign will include the following:

- a. Press release of Security and safety issues
- b. Safety and security support campaign
- c. Press release promoting interviews and articles on media
- d. Press releases to promote relationships with critical people and groups.
- e. Press releases to increase credibility for Hotel, Services, board and officers
- f. Other Press releases

F&A is not responsible for any false claims made by the client in any of the public relation pieces developed by F&A. Clients are responsible for all media buying and media placement. Clients must disclose information, promotions, goals, capabilities, time frame and public relations budget in order to plan and create the best advertising strategies for the client accordingly. Clients will not cover meals, trade show entrances, covers and all travel expenses unless previously approved in writing.

1.9 Dynamic VPS hosting plan 12 months

F&A will provide twelve (12) months of hosting in a Virtual Private Server for the Clients only to host their web site. F&A will host the Clients' web site through one of our trusted reseller accounts with HostMySite's Virtual Private Server Technology and hardware configurations. F&A will supervise and coordinate all hosting services with the client.

HostMySite has been a trusted name in web hosting since 1997. In the unlikely event of a server failure, F&A will not be responsible or liable for any Clients' data loss, server down time, or any other issue raised from such failure. However, F&A will find a new hosting service provider, transfer all backed up files at the time of failure, and continue the hosting service accordingly, in a reasonable time and at no extra cost to the client.

2. Content:

All the information, text, images, music, sound and video, products and other items must be provided by the Clients. Text must be provided in Microsoft word or Word perfect in a digital format as text characters, not as an image, scan file, or graphic, or as a placed image, scan file, or graphic. F&A does not support CorelDraw! files, however, some CorelDraw! files may be accepted upon F&A's discretion. F&A reserves the right to use and/or work with CorelDraw! files.

CLIENTS UNDERSTAND AND ACKNOWLEDGE THE FOLLOWING:

- a. Services not included: Other services not listed in this contract like but not limited to translation, research, internet provider services, hosting, printing, extra photography services, voice over talent, architectural or engineering services, programming for multimedia, web site design, Dynamic site development, DVD authoring, Dynamic forms, Media buying or media placement, text capturing, text typing, data processing, public Relations, event coordination, studio and/or studio time, studio location, actors, extras, stunts and/or models among many others, are not included in this contract and will be billed separately at F&A's value to the client.
- b. Additional domain name: An additional domain name and/or the same domain name with a different

Client initials: EW F&A initials: _____

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extension may be also acquired for portfolio, work display, and testing purposes at no cost to the client. This domain name is the property of F&A and is not transferable or available for sale and will be used at F&A's sole discretion.

c. Software and hardware: F&A does not sale or resale software or hardware of any kind. Software applications and hardware are not included.

d. Photography and video software and hardware: F&A does not sale or resale photography and video software or hardware of any kind. Photography and video software applications and hardware are not included.

e. Microsoft office templates: Templates and other files created, used and/or transferred into Microsoft office are for inhouse use, as well as for laser or ink jet desktop printers only. F&A does not recommend or support the usage of this files for commercial printing and will not be responsible or liable for any problem a raised. Microsoft office templates and design are limited to the application and user settings. Clients are aware that designs may not print correctly, properly or may not print at all. Also, images may look or print blurry, fonts may be replaced, viewable and print colors may change from different laser printers, inkjet printers, monitors, TV sets to different computers. The Clients understand that this problems are caused due to each individual computer software applications, computer settings and hardware setup, thus F&A is not responsible or liable for any problem this may caused.

f). Traveling expenses are not included. Traveling expenses, meals, transportation cost, and other traveling related expenses are not included. F&A provides services in San Diego and does not include any travel expenses outside the San Diego area in this proposal. Clients will not cover meals, trade show entrances, covers and all travel expenses unless previously approved in writing.

g). Corporate image and general graphic design: Hotel Coral and Marina corporate image design, creative and production is not included with this proposal in its entirety. Corporate image and general graphic design such as but not limited to: logo design, logo modifications, corporate image in its entirety, menus, room items, signage systems, stationary, automobiles, transportation fleet, uniforms, all inhouse hotel production, among many others. Hotel Coral and Marina corporate image will be provided by the Clients.

Client initials: _____ F&A initials: _____

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EXHIBIT B

SUMMONS (CITACION JUDICIAL)

NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

Enrique Martin Lutteroth Valle, Hotelera Coral, S.A. de C.V, and
Does 1 to 10

YOU ARE BEING SUED BY PLAINTIFF: (LO ESTÁ DEMANDANDO EL DEMANDANTE):

Ariel Freaner

FOR COURT USE ONLY (SOLO PARA USO DE LA CORTE)

2011 JUN 21 10:21

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):

Superior Court of California, County of San Diego
330 W. Broadway, San Diego, CA 92101

CASE NUMBER:
(Número del Caso):

37-2011-00093218-CU-BC-CTL

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
Frederick M. Reich

3233 Third Avenue, San Diego, CA 92103, (619) 243-7333

DATE:

(Fecha)

JUN 21 2011

Clerk, by

(Secretario)

M. BANE

, Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

[SEAL]

NOTICE TO THE PERSON SERVED: You are served

1. ☒ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):
3. ☐ on behalf of (specify):
under: ☐ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)
☐ other (specify):
4. ☒ by personal delivery on (date): 6/26/11

EXHIBIT C

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address) Frederick M. Reich, SBN 157028 3233 Third Avenue San Diego, CA 92103 TELEPHONE NO. (619) 243-7333 FAX NO. (619) 243-7343 ATTORNEY FOR (Name): Ariel Freaner		FOR COURT USE ONLY CIVIL 37-2011-00093218-10-21
SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Diego STREET ADDRESS: 330 W. Broadway MAILING ADDRESS: CITY AND ZIP CODE: San Diego, CA 92101 BRANCH NAME: Central		
CASE NAME: Freaner v. Lutteroth et al.		
CIVIL CASE COVER SHEET <input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000) <input type="checkbox"/> Limited (Amount demanded is \$25,000 or less) <input type="checkbox"/> Complex Case Designation <input type="checkbox"/> Counter <input type="checkbox"/> Joinder Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)		CASE NUMBER: 37-2011-00093218-CU-BC-CTL JUDGE: DEPT.:

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) Non-PI/PD/WD (Other) Tort <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input checked="" type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2. This case ☐ is ☒ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- | | |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. <input type="checkbox"/> Large number of separately represented parties | d. <input type="checkbox"/> Large number of witnesses |
| b. <input type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve | e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court |
| c. <input type="checkbox"/> Substantial amount of documentary evidence | f. <input type="checkbox"/> Substantial postjudgment judicial supervision |
3. Remedies sought (check all that apply): a. ☒ monetary b. ☐ nonmonetary; declaratory or injunctive relief c. ☐ punitive
4. Number of causes of action (specify): 1
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: 8-17-11

Frederick M. Reich

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

EXHIBIT D

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO	
STREET ADDRESS: 330 West Broadway	
MAILING ADDRESS: 330 West Broadway	
CITY AND ZIP CODE: San Diego, CA 92101	
BRANCH NAME: Central	
TELEPHONE NUMBER: (619) 450-7068	
PLAINTIFF(S) / PETITIONER(S): Ariel Freaner	
DEFENDANT(S) / RESPONDENT(S): Enrique Martin Lutteroth Valle et.al.	
FREANER VS. LUTTEROTH VALLE	
NOTICE OF CASE ASSIGNMENT	CASE NUMBER: 37-2011-00093218-CU-BC-CTL

Judge: Judith F. Hayes

Department: C-68

COMPLAINT/PETITION FILED: 06/21/2011

CASES ASSIGNED TO THE PROBATE DIVISION ARE NOT REQUIRED TO COMPLY WITH THE CIVIL REQUIREMENTS LISTED BELOW

IT IS THE DUTY OF EACH PLAINTIFF (AND CROSS-COMPLAINANT) TO SERVE A COPY OF THIS NOTICE WITH THE COMPLAINT (AND CROSS-COMPLAINT), THE ALTERNATIVE DISPUTE RESOLUTION (ADR) INFORMATION FORM (SDSC FORM #CIV-730), A STIPULATION TO USE ALTERNATIVE DISPUTE RESOLUTION (ADR) (SDSC FORM #CIV-359), AND OTHER DOCUMENTS AS SET OUT IN SDSC LOCAL RULE 2.1.5.

ALL COUNSEL WILL BE EXPECTED TO BE FAMILIAR WITH SUPERIOR COURT RULES WHICH HAVE BEEN PUBLISHED AS DIVISION II, AND WILL BE STRICTLY ENFORCED.

TIME STANDARDS: The following timeframes apply to general civil cases and must be adhered to unless you have requested and been granted an extension of time. General civil cases consist of all civil cases except: small claims proceedings, civil petitions, unlawful detainer proceedings, probate, guardianship, conservatorship, juvenile, and family law proceedings.

COMPLAINTS: Complaints and all other documents listed in SDSC Local Rule 2.1.5 must be served on all named defendants, and a Certificate of Service (SDSC form #CIV-345) filed within 60 days of filing.

DEFENDANT'S APPEARANCE: Defendant must generally appear within 30 days of service of the complaint. (Plaintiff may stipulate to no more than 15 day extension which must be in writing and filed with the Court.) (SDSC Local Rule 2.1.6)

DEFAULT: If the defendant has not generally appeared and no extension has been granted, the plaintiff must request default within 45 days of the filing of the Certificate of Service. (SDSC Local Rule 2.1.7)

CASE MANAGEMENT CONFERENCE: A Case Management Conference will be set within 150 days of filing the complaint.

ALTERNATIVE DISPUTE RESOLUTION (ADR): THE COURT ENCOURAGES YOU TO CONSIDER UTILIZING VARIOUS ALTERNATIVES TO TRIAL, INCLUDING MEDIATION AND ARBITRATION, PRIOR TO THE CASE MANAGEMENT CONFERENCE. PARTIES MAY FILE THE ATTACHED STIPULATION TO USE ALTERNATIVE DISPUTE RESOLUTION (SDSC FORM #CIV-359).

YOU MAY ALSO BE ORDERED TO PARTICIPATE IN ARBITRATION. IF THE CASE IS ORDERED TO ARBITRATION PURSUANT TO CODE CIV. PROC. 1411.11, THE COSTS OF ARBITRATION WILL BE PAID BY THE COURT PURSUANT TO CODE CIV. PROC. 1141.28.

FOR MORE INFORMATION, SEE THE ATTACHED ALTERNATIVE DISPUTE RESOLUTION (ADR) INFORMATION FORM (SDSC FORM #CIV-730)



SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

ALTERNATIVE DISPUTE RESOLUTION (ADR) INFORMATION

CASE NUMBER: 37-2011-00093218-CU-BC-CTL

CASE TITLE: Frenner vs. Lutteroth Valle

NOTICE: All plaintiffs/cross-complainants in a general civil case are required to serve a copy of the following three forms on each defendant/cross-defendant, together with the complaint/cross-complaint:

- (1) this Alternative Dispute Resolution (ADR) Information form (SDSC form #CIV-730),
- (2) the Stipulation to Use Alternative Dispute Resolution (ADR) form (SDSC form #CIV-359), and
- (3) the Notice of Case Assignment form (SDSC form #CIV-721).

Most civil disputes are resolved without filing a lawsuit, and most civil lawsuits are resolved without a trial. The courts, community organizations, and private providers offer a variety of Alternative Dispute Resolution (ADR) processes to help people resolve disputes without a trial. The San Diego Superior Court expects that litigants will utilize some form of ADR as a mechanism for case settlement before trial, and it may be beneficial to do this early in the case.

Below is some information about the potential advantages and disadvantages of ADR, the most common types of ADR, and how to find a local ADR program or neutral. A form for agreeing to use ADR is attached (SDSC form #CIV-359).

Potential Advantages and Disadvantages of ADR

ADR may have a variety of advantages or disadvantages over a trial, depending on the type of ADR process used and the particular case:

Potential Advantages

- Saves time
- Saves money
- Gives parties more control over the dispute resolution process and outcome
- Preserves or improves relationships

Potential Disadvantages

- May take more time and money if ADR does not resolve the dispute
- Procedures to learn about the other side's case (discovery), jury trial, appeal, and other court protections may be limited or unavailable

Most Common Types of ADR

You can read more information about these ADR processes and watch videos that demonstrate them on the court's ADR webpage at <http://www.sdcourt.ca.gov/adr>.

Mediation: A neutral person called a "mediator" helps the parties communicate in an effective and constructive manner so they can try to settle their dispute. The mediator does not decide the outcome, but helps the parties to do so. Mediation is usually confidential, and may be particularly useful when parties want or need to have an ongoing relationship, such as in disputes between family members, neighbors, co-workers, or business partners, or when parties want to discuss non-legal concerns or creative resolutions that could not be ordered at a trial.

Settlement Conference: A judge or another neutral person called a "settlement officer" helps the parties to understand the strengths and weaknesses of their case and to discuss settlement. The judge or settlement officer does not make a decision in the case but helps the parties to negotiate a settlement. Settlement conferences may be particularly helpful when the parties have very different ideas about the likely outcome of a trial and would like an experienced neutral to help guide them toward a resolution.

Arbitration: A neutral person called an "arbitrator" considers arguments and evidence presented by each side and then decides the outcome of the dispute. Arbitration is less formal than a trial, and the rules of evidence are usually relaxed. If the parties agree to binding arbitration, they waive their right to a trial and agree to accept the arbitrator's decision as final. With nonbinding arbitration, any party may reject the arbitrator's decision and request a trial. Arbitration may be appropriate when the parties want another person to decide the outcome of their dispute but would like to avoid the formality, time, and expense of a trial.

Other ADR Processes: There are several other types of ADR which are not offered through the court but which may be obtained privately, including neutral evaluation, conciliation, fact finding, mini-trials, and summary jury trials. Sometimes parties will try a combination of ADR processes. The important thing is to try to find the type or types of ADR that are most likely to resolve your dispute. Be sure to learn about the rules of any ADR program and the qualifications of any neutral you are considering, and about their fees.

Local ADR Programs for Civil Cases

Mediation: The San Diego Superior Court maintains a Civil Mediation Panel of approved mediators who have met certain minimum qualifications and have agreed to charge \$150 per hour for each of the first two (2) hours of mediation and their regular hourly rate thereafter in court-referred mediations.

On-line mediator search and selection: Go to the court's ADR webpage at www.sdcourt.ca.gov/adr and click on the "Mediator Search" to review individual mediator profiles containing detailed information about each mediator including their dispute resolution training, relevant experience, ADR specialty, education and employment history, mediation style, and fees and to submit an on-line Mediator Selection Form (SDSC form #CIV-005). The Civil Mediation Panel List, the Available Mediator List, individual Mediator Profiles, and Mediator Selection Form (CIV-005) can also be printed from the court's ADR webpage and are available at the Mediation Program Office or Civil Business Office at each court location.

Settlement Conference: The judge may order your case to a mandatory settlement conference, or voluntary settlement conferences may be requested from the court if the parties certify that: (1) settlement negotiations between the parties have been pursued, demands and offers have been tendered in good faith, and resolution has failed; (2) a judicially supervised settlement conference presents a substantial opportunity for settlement; and (3) the case has developed to a point where all parties are legally and factually prepared to present the issues for settlement consideration and further discovery for settlement purposes is not required. Refer to SDSC Local Rule 2.2.1 for more information. To schedule a settlement conference, contact the department to which your case is assigned.

Arbitration: The San Diego Superior Court maintains a panel of approved judicial arbitrators who have practiced law for a minimum of five years and who have a certain amount of trial and/or arbitration experience. Refer to SDSC Local Rules Division II, Chapter III and Code Civ. Proc. § 1141.10 et seq or contact the Arbitration Program Office at (619) 450-7300 for more information.

More information about court-connected ADR: Visit the court's ADR webpage at www.sdcourt.ca.gov/adr or contact the court's Mediation/Arbitration Office at (619) 450-7300.

Dispute Resolution Programs Act (DRPA) funded ADR Programs: The following community dispute resolution programs are funded under DRPA (Bus. and Prof. Code §§ 465 et seq.):

- In Central, East, and South San Diego County, contact the National Conflict Resolution Center (NCRC) at www.ncrconline.com or (619) 238-2400.
- In North San Diego County, contact North County Lifeline, Inc. at www.nclifeline.org or (760) 726-4900.

Private ADR: To find a private ADR program or neutral, search the Internet, your local telephone or business directory, or legal newspaper for dispute resolution, mediation, settlement, or arbitration services.

Legal Representation and Advice

To participate effectively in ADR, it is generally important to understand your legal rights and responsibilities and the likely outcomes if you went to trial. ADR neutrals are not allowed to represent or to give legal advice to the participants in the ADR process. If you do not already have an attorney, the California State Bar or your local County Bar Association can assist you in finding an attorney. Information about obtaining free and low cost legal assistance is also available on the California courts website at www.courtinfo.ca.gov/selfhelp/lowcost.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO STREET ADDRESS: 330 West Broadway MAILING ADDRESS: 330 West Broadway CITY, STATE, & ZIP CODE: San Diego, CA 92101-3827 BRANCH NAME: Central	FOR COURT USE ONLY
PLAINTIFF(S): Ariel Freaener	
DEFENDANT(S): Enrique Martin Lutteroth Valle et.al.	
SHORT TITLE: FREANER VS. LUTTEROTH VALLE	
STIPULATION TO USE ALTERNATIVE DISPUTE RESOLUTION (ADR)	CASE NUMBER: 37-2011-00093218-CU-BC-CTL

Judge: Judith F. Hayes

Department: C-68

The parties and their attorneys stipulate that the matter is at issue and the claims in this action shall be submitted to the following alternative dispute resolution (ADR) process. Selection of any of these options will not delay any case management timelines.

- | | |
|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Mediation (court-connected) | <input type="checkbox"/> Non-binding private arbitration |
| <input type="checkbox"/> Mediation (private) | <input type="checkbox"/> Binding private arbitration |
| <input type="checkbox"/> Voluntary settlement conference (private) | <input type="checkbox"/> Non-binding judicial arbitration (discovery until 15 days before trial) |
| <input type="checkbox"/> Neutral evaluation (private) | <input type="checkbox"/> Non-binding judicial arbitration (discovery until 30 days before trial) |
| <input type="checkbox"/> Other (specify e.g., private mini-trial, private judge, etc.): _____ | |

It is also stipulated that the following shall serve as arbitrator, mediator or other neutral: (Name) _____

Alternate neutral (for court Civil Mediation Program and arbitration only): _____

Date: _____

Date: _____

Name of Plaintiff

Name of Defendant

Signature

Signature

Name of Plaintiff's Attorney

Name of Defendant's Attorney

Signature

Signature

If there are more parties and/or attorneys, please attach additional completed and fully executed sheets.

It is the duty of the parties to notify the court of any settlement pursuant to Cal. Rules of Court, rule 3.1385. Upon notification of the settlement, the court will place this matter on a 45-day dismissal calendar.

No new parties may be added without leave of court.

IT IS SO ORDERED.

Dated: 06/21/2011

JUDGE OF THE SUPERIOR COURT